

Execution Copy

ASSET PURCHASE AGREEMENT

between

CHAMPION INTERNATIONAL CORPORATION

and

SMART PAPERS LLC

Dated as of

December 29, 2000

**SMART PAPERS
EXHIBIT 2**

Schedule 4.1

1. On a date selected by Buyer no earlier than two business days after execution of the Asset Purchase Agreement, Seller shall send a letter to the Paper, Allied-Industrial, Chemical and Energy Workers International Union ("PACE") and its Local 1967, and all employees working at the Hamilton Mill, advising them, among other things, that Seller will be divesting itself of the Hamilton Mill. The letter will be substantially in the form attached hereto.
2. At the same time the Seller sends the letter referenced in paragraph 1 above, Seller shall permit Buyer to send, in the same package, a separate letter to PACE and its Local 1967, and all employees working at the Hamilton Mill. The letter will be substantially in the form attached hereto.
3. At times selected by Buyer shortly after Buyer receives employment applications from employees who are interested in employment with Buyer, Seller shall cooperate with Buyer by making available suitable office space at or near the Mill for Buyer (a) to review personnel files of employees who have signed authorization/release forms, (b) to meet with supervisors and managers of Seller to discuss employment opportunities with Buyer and other issues such as the performance of employees who have signed authorization/release forms, and (c) to interview employees and perform pre-employment drug testing. Buyer shall be responsible for complying with all applicable laws in the interviewing and hiring process, and any liability incurred in the interviewing and hiring process based on conduct of Buyer shall be the responsibility of Buyer; provided, that in no event will Buyer be responsible for any severance payments to employees of Seller (subject to the reimbursement requirements of Section 4.1(f)) or any strike or strike-related conduct by employees, PACE, or PACE Local 1967 as of or prior to the Closing.
4. In addition, at Buyer's request a reasonable period prior to the Closing Date, Seller's counsel shall provide to Buyer's labor and employment counsel (but not to Buyer) demographic information on a confidential basis concerning each of its employees at the Hamilton Mill to ensure compliance with applicable employment laws. Buyer will not use the demographic information in the interviewing and hiring process and Buyer shall be responsible for any liability incurred by Seller for any unlawful use of the information by Buyer's counsel.